

**County Durham Economic Partnership
Officer Delegated Group
09:30, Wednesday 22 August 2007
4th Floor Conference Room, County Hall**

MINUTES

In attendance:

Bob Ward	CDEP Lead Officer Secretariat
Zoë Thirlaway	CDEP Secretariat
Linda Edworthy	Durham County Council Chief Officer & Physical Development Group Chair
Claire Williams	CDEP Secretariat
Lindsey Crawford	CDEP Secretariat
John Pearson	District Council Representative (Derwentside)
Trevor Watson	District Council Representative (Teesdale)
Sue Parkinson	Business and Enterprise Working Group Chair
Nick James	Learning and Skills Council
Melanie Sensicle	Area Tourism Partnership Chief Officer
Rob Strachan	Government Office North East
Phil Hughes	Rural Advisory Group Chair
Paulina Lubacz	Durham University
Nick Muse	One NorthEast
Chris Duffill	Shared Intelligence
David Eiser	Shared Intelligence

1. Apologies

Richard Prisk	Economic Regeneration Working Group Chair
John Anstee	Knowledge Economic Advisory Group Chair
Tom Warburton	One NorthEast
Neil Stokell	District Council Representative (Teesdale)
Rob Statham	Durham University

2. Declarations of Interest.

Melanie Sensicle declared an interest in Agenda Item 5 – Image and Reputation.

3. Minutes of the last meetings

The minutes were agreed as a true record of the meeting.

4. Matters arising

The last ODG meeting was solely around the County Durham Economic Strategy and as such all matters arising would be covered in this meeting under Agenda Items 6 and 7.

Items for decision:

5. Image and Reputation

Melanie Sensicle provided a presentation on the ATP Image and Reputation work. She explained the aims of the work, the process which had been undertaken to develop the work, who would benefit from the work and asked how the Partnership wanted to take it forward from this point.

It was felt that the core message from this work was 'right' and felt good. 'Durham' was a nationally known brand already therefore it was felt that using 'Durham' was the right decision. It was felt that the link being made between Heritage and Innovation was a powerful tool as it encompassed the past and the future.

It was suggested that in order to take this forward the ATP be tasked with continuing their work on behalf of the Partnership once a full cost analysis was carried out. It was explained that there was still enough money in the current budget to launch the Phase 2 - visual expression. However the visual expression would need to be tested and there currently wasn't funds available for that work to be carried out. It was agreed that the visual expression should be tested both internally and externally, that full costings should be drawn up and that the ATP should be asked to take on the role of taking this process forward. This should include the ATP providing a report to this group on how the testing would be done, how they would be taking this work forward and the roles and responsibilities of Partners who would help with the implementation.

Agreed Action: ATP

It was emphasised that it would be essential to move straight into the implementation phase once phase 2 was completed.

6. CDES Consultation

Bob Ward introduced the latest version of the CDES. He explained that although this was still work in progress it was now a much improved version. The ODG were asked if they felt that the key messages were now correct and if therefore the document could form the basis of the consultation process. It was emphasised that Partners were not being asked to agree every word of the document at this stage. Chris Duffill explained that the key messages remained the same but they had tried to simplify the presentation and some areas of the content had been developed with a slightly more expansive vision. He felt that there may need to more detail around some of the targets and around what the Partnership were hoping to deliver in order to achieve their ambitions for the County.

It was highlighted that County Durham had a number of difficult economic constraints. The Strategy worked with the current thrust of policy and current levels of resource but there were concerns that this would not be enough. If Partners moved to change policy to benefit County Durham they would have to be clear on what they would actually spend that money on to meet the

particular needs of County Durham. The document would need to articulate the vision for County Durham which at this point would be quite difficult.

It was agreed that the document should move to consultation as soon as possible. It was felt that the case needed to be made that the North East needs Durham as much as Durham needs the North East. The key would be to make our key assets really work e.g. could the Partnership projects such as NETPark even further. Material/technical centres were also identified as unfulfilled potential.

It was highlighted that the heart of County Durham's economy was still manufacturing although that would decline over time. Partners would need to look at what they expect County Durham to do in the future, what would provide higher added value or is that not possible. What could be the alternative future economy?

It was hoped that the section on the challenges and opportunities of climate change could be expanded on. It was highlighted that a generic message may need to be accepted at this point but it was understood that the rural assets were vital to the region.

The University expressed their desire to expand on their role, engagement and impact within the County.

One NorthEast welcomed the Strategy and felt that it was in harmony with ONE aims and objectives. Nick Muse highlighted the importance of the ambition within the Strategy sitting within the context of the region. Targets and indicators would need to be aligned. County Durham would need to address its slippage both regionally and nationally and would therefore need to be clear on how ambitious it was looking to be.

Chris Duffill felt that there was further scope to do more work on the alternative sectors, strengthening new areas of economic opportunity and that changes in policy would give the County the chance to develop more economic opportunity rather than just being about need.

The Audit Commission report was highlighted as a key issue. It was explained that this document would allow the debate around economic circumstances to take place, it would provide a level of clarity around what was trying to be achieved. The Partnership would need to decide how it wanted to respond to this document and decide the significance of the recommendations it was making.

Bob Ward summarised that the ODG had agreed to proceed to consultation and that preparation for the consultation process could now begin. It was agreed that an additional ODG meeting would need to be arranged to agree how the consultation would be carried out and what questions would be asked. It was agreed that this process should be about engaging discussion and ownership and not just about nominative signoff.

Agreed **Action: Secretariat**

7. CDES Action Plan and Single Programme Investment Plan

Chris Duffill presented the document which had been circulated prior to the meeting. He explained that this document was intended to be a short sharp summary of where the Partnership wanted to get to. There were still a number of issues such as how to deal with the slippage from this year and also the changes that will be occurring in allocations and delivery mechanisms from ONE. Nick Muse set out the current system and the new system including the role of the Enterprise Forum and Business Link North East as the key deliverers of the Enterprise and Business Support elements of the regional programme.

It was agreed that the Investment Plan should make clear how far each project had progressed through the process.

It was felt that there was still confusion over the new processes and procedures and that ONE needed to provide more written guidance. There was also concern as to whether the organisations charged with delivering these core areas of work were suitably resourced to do this, whether they actually had the capacity. The Partnership were concerned that this new process would mean that they had many much more time consuming autocracy to work through before funding could be accessed.

Agreed Action: Nick Muse

It was highlighted that any Investment Plan was a position statement and would continually update. It was agreed that negotiations around the content of the Investment Plan needed to progress quite quickly now. Nick Muse highlighted that ONE would not be looking to sign off the Investment Plan as such, this document would purely be a vehicle with which to communicate with ONE and associated Partners. The Investment Plan should not just be about Single Programme Funding.

It was highlighted that the Partnership would have a much clearer role in Capital programme. Delivery would be reinforced and assisted through Faithful and Gould who had been contracted to build capacity.

It was highlighted that the Partnership would need to stick together during this process. If Partners were encountering difficulties then they would need to be openly discussed. Nick Muse offered to act as a broker in discussions with ONE over any difficulties.

It was explained that 70% of the Capital spend would be spent on 5-6 big projects but that how this was going to be achieved needed to be more explicit in the document. There needed to be robust understanding and shared ownership of these key projects. It was agreed that the Partnership needed to refresh their understanding and commitment to these projects. It was felt that a clear and up to date position statement was needed from the project sponsors. This group would need confidence that they could deliver these projects.

Agreed Action: Secretariat / Shared Intelligence

Nick Muse emphasised that ONE would be looking for evidence of prioritisation in terms of the Partnership's wish list. Partners would need to look at whether the project was strategic, deliverable, something they wanted to do. They would need a framework to draw out the priorities and it was suggested that the Secretariat and Shared Intelligence should carry out this work in the first instance and bring that work back to the ODG.

Agreed Action: Secretariat / Shared Intelligence

Although capacity was an issue discussions were taking place with Shared Intelligence and other Partners, such as the University, to help with this. ONE had also written to all Partnerships to offer help with project management, revenue and the use of Partners to help brokerage and strategic and analytical capacity.

ONE were expecting to have their Corporate Plan completed by November and would be looking to share a draft with Partners in October. Nick Muse agreed that he would be happy to discuss the document at a future ODG meeting.

Agreed Action: Nick Muse / Secretariat

8. Single Programme Report

Lindsey Crawford presented the report which had been circulated prior to the meeting. She explained the current spend position, output levels and current risks identified.

Programme 1

A £500,000 project proposal had been submitted by Durham University to purchase additional equipment for the previously supported Metrology Capabilities project. ONE had been assessing the submission and comments had been sent back to the University. Further discussions would be necessary and the project would be presented to the B&EWG on 29 August and would then return to this group at a future meeting. This project may also require some revenue funding.

Programme 2

The B&EWG would discuss what additional activity they wished to take forward this financial year. There was currently around £161,000 left in the budget and activity may include a role model project and the updating of the County Durham Enterprise Strategy.

Programme 3

Derwentside Engineering Forum had identified an underspend project. Business Link had said it was outside their remit therefore it would need to be delivered separately. ONE had rejected the project as it did not meet regional activity however there were a number of issues still to be looked into and a PIP was being drawn up for further discussion.

Programme 4

It was highlighted that the Employer Based Learning Centre project had been withdrawn by the North East Chamber of Commerce as they would not be able to deliver.

Programme 8

The **GREAT Institute** was proposing a separate piece of Geothermal mapping work which was in line with previous work. ONE were supportive of the proposal and it had received endorsement from the PDWG and the GREAT Institute Steering Group. It was agreed that the proposal could be developed further with Easington District Council and Newcastle University.

Agreed in Principal Action: Secretariat

The ERWG had brought forward 2 **market towns** projects from **Groundwork**. The schemes were predominantly shop frontage improvements and rural renaissance work. There was concern from the Secretariat and ONE that these projects could not demonstrate suitable economic advantages, outputs or deliverability. It was highlighted that the projects had been specifically drawn up to be deliverable within the timescales and that the working group believed that they are both deliverable and beneficial. It was agreed by the ODG that the ERWG should be given two additional weeks to express their case and prove economic rational, outputs, deliverability and added value of this project. It was recommended by the ODG that further meetings take place between the proposer, Secretariat and ONE.

Agreed Action: ERWG / Secretariat

Similar discussions had taken place around the Chester le Street proposal but it had eventually been agreed that although they were confident they could spend £500,000 it was likely that expenditure would slip into the 08/09 financial year. It was highlighted that this project would then breach the Partnership's principal to only spend £2m on each major centre and as such may open the gates to other requests for funding. Nick Muse asked if there had been an evaluation of the benefit these types of scheme generated. It was suggested that if there was money available for this kind of work should it not go to those towns/centres which had missed out in the first place. It was felt that there needed to be more discussion as even if they could demonstrate deliverability there was still the issue of the Partnership principal. It was also highlighted that they had not yet finished the Chester le Street Masterplan, so what would they actually be delivering against. It was agreed that further discussions would take place between the proposer and ONE.

It was suggested that John Topliss would attend future ERWG's to provide support from ONE directly.

Agreed Action: Nick Muse / Secretariat

9. Rural Development Programme for England

Linda Edworthy presented the paper on RDPE. She explained that Expressions of Interest had already been received and that this group would be asked to look at them in more detail. It was highlighted that Teesdale

District Council were not aware of the content of the Teesdale LSP submission and as such they could not comment.

It was hoped that County Durham could get approval for at least 2 projects so the Partnership would need to have a good understanding of the submissions to decide who they wanted to support. The deadline for submissions was 21 September so a decision would be made after that date. However the group agreed to support 'in principal' the East Durham and the North Pennines Leader + submissions. It was highlighted that this programme would need to align with Single Programme and ONE rural priorities.

Agreed

10. Partnership Membership

Nick James wished to expand the Learning and Skills Working Group to include Margaret Bell to cover the Countywide 14-19 Agenda and Ginny Williams to represent the Education Business Link Organisation.

Agreed Action: Nick James

Bob Ward highlighted that JobCentre Plus had raised concerns as to the Partnerships commitment to Economic Inclusion. He suggested that the Learning and Skills Working Group should change their name to Employment and Skills Working Group. He also suggested that Task and Finish Groups could be used to bring members of different working groups together to deal with cross cutting issues.

Agreed Action: Secretariat

Sue Parkinson requested that Julie Richards the Enterprise Advocate join the Business and Enterprise Working Group.

Agreed Action: Sue Parkinson

She went on to explain that the Enterprise and Education agenda fell within the BEWG remit Ginny Williams was a member of an adhoc group looking at developing a strategy for the County and it was suggested that this adhoc group act as a sub group for the BEWG. It was accepted that this sub group would need terms of reference, agreed work programme etc but that it would provide a useful resource. It was felt that the principal was right and as such it should be looked at in more detail to ensure how it linked back to other Partnerships.

Agreed Action: Sue Parkinson / Secretariat

Items for information:

11. Economic Summit - Skills

Further meetings would be taking place to take forward the Skills Summit.

12. Leitch Implementation Plan

Nick James explained that the aim was to build up the idea that the approaches proposed in the Leitch Report were not just about money but about changing beliefs and attitudes. This process was demand lead and as such it was essential to build up that demand through changes in culture and aspirations.

13. RSS Update Report

The report circulated prior to the meeting was purely for information, no discussion was required.

14. DWP Consultation – In Work, Better Off: next steps to full employment

Unfortunately JobCentre Plus could not attend this meeting. A response to this consultation would be coming through to this group through the Learning and Skills Working Group.

15. Any Other Business

Bob Ward highlighted that the **Local Government Finance: Supplementary Business Rates Report** had been published for consultation.

Sue Parkinson explained that the **BSSP** consultation document had been released entitled 'Simplifying Business Support: A Consultation'. This process was going to be very restricting to the work that was already going on in the County but it would make the process a lot simpler. Sue asked if the group would be happy for a response to be circulated electronically for comments.

Agreed Action: Sue Parkinson / Secretariat

16. Forward Programme of Meetings

- Thursday 27 September 2007 – County Hall
- Thursday 8 November 2007 – County Hall
- Tuesday 18 December 2007 – County Hall

An additional ODG meeting early in September may be required to finalise the